Minimum support price for cotton

2413. SHRI SANJAY RAUT: Will the Minister of TEXTILES be pleased to state:

(a) whether with a view to securing fair value for the cotton produced by farmers, a Minimum Support—Price (MSP) is fixed by Government every year and for maintaining the MSP the Cotton Corporation of India is adequately subsidized for procurement of cotton stock at the MSP; and

(b) whether no such subsidy is given by Central Government to the Maharashtra State Co-operative Growers Marketing Federation Ltd. (MSCCGMFL), the sole cotton procurement agency in Maharashtra, nor has this federation been notified by Government as an agent for cotton procurement, despite repeated request by the Maharashtra Government, if so, the reason for such disparity?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes Sir, the Government of India has been fixing the MSP every year based on recommendation of Commission on Agricultural Costs and Prices taking into account various relevant factors. The CCI has been carrying out MSP operations in all the cotton growing States where prices are ruling below MSP level. From the cotton season 2004-05, the Government of India has also nominated National Agricultural Cooperative Federation of India Ltd. (NAFED) as the price support agency for undertaking MSP operation.

(b) No agency of any State Government including Maharashtra State Co-operative Cotton Growers Marketing Federation Ltd. has been nominated as an agency of Government of India to undertake MSP operations.

Effect of import of Chinese knitted fabrics on local producers

2414. SHRI C. PERUMAL: Will the Minister of TEXTILES be pleased to state:

(a) whether increasing imports of knitted fabrics from China by exporters are causing serious threat to local producers;

(b) if so, the action taken in this regard;